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What will \$787 billion do for the local economy?

Emma Struve

What can the United States Government buy for \$787 billion? This was the question posed to legislators during debates over the past month as they attempted to draft a stimulus package to buttress the steadily weakening economy.

The hotly debated and much criticized result - the American Recovery and Reinvestment Act of 2009 was approved by Congress on February 13 then signed into law on February 17 by President Barack Obama. The Act contained provisions for funding to be injected into industry, infrastructure, education, and tax payers' finances.

President Obama stressed governmental transparency as paramount in drafting this legislation so a Web site, www.recovery.gov, has been established where tax payers can track funding as it is distributed and offer feedback. The full text of the Act is available through this site.

All together the bill has 21 individual "titles," specific projects or programs, that include provisions for increased research granting;

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improvements to the infrastructure of roads, water and power transmission systems, and schools; enhancements to health information technology; state fiscal stabilization; and, among additional programs, tax changes such as the "Making Work Pay" credit, enhancement to the education "Hope Credit," and changes to the Earned Income Tax Credit to allow more tax filers to receive increased credits (see 2009 tax changes more lucrative for some than 2008 stimulus checks on page ___ for more information).

The intent of spending federal money on these programs, as stated in the introduction of the Act is "(1) To Preserve and create jobs and promote economic recovery. (2) To assist those most impacted by the recession. (3) To provide investments needed to increase economic efficiency by spurring technological advances in science and health. (4) To invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits. (and) (5) To stabilize State and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive state and local tax increases."

But, will residents of Denison and Crawford County see the effect of the legislators' efforts locally?

The State of Iowa is anticipating the receipt of approximately \$1.9 billion of which about \$197.5 million is earmarked for education projects. Dollar amounts are from Preliminary Conference Estimates prepared the non-partisan Federal Funds Information for States available through Governor Chet Culver's Web site at www.governor.iowa.gov.

Denison Community School District Superintendent Mike Pardun reported receiving an encouraging letter from the State of Iowa that schools should expect to see funding from the Act, although Pardun continued, he is not sure of exactly how much.

The funding may come through Title I, special education, or construction grants, Pardun theorized.

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Title I is a federal resource to provide for "programs and services to improve student achievement, that includes Reading First, Even Start Family Literacy, and migrant education, according to the Iowa Department of Education Web site (www.iowa.gov/educate).

Within the next few weeks, Pardun commented, the school district should have a much better idea the method by which funds will be dispersed and how much may be available for local use.

Crawford County Engineer Paul Assman confirmed earlier speculation that the county will likely receive about \$1.2 million through Region XII Council of Governments to be used in the paving project of E53 and M55.

Assman anticipates the project's total cost to be about \$3.5 million, which includes removal of the current pavement, stabilizing the subgrade with fly ash and a granular material to a depth of 12 inches, then pouring Portland Cement concrete.

Letting for the project is scheduled for April 21st and construction may begin as soon as June, depending on the DOT issuing a start date. Assman predicted the project could be completed by August if it begins early this summer.

The American Recovering and Reinvestment Act also focused on utility infrastructure with the intention of improving efficiency.

Denison Municipal Utilities General Manager Mark Ramthun has already submitted utility projects to Region XII for consideration as the state is projected to use more than \$100 million for water and energy improvements.

To enhance waste water treatment, Ramthun explained, DMU is investigating a grit removal system and lime/sludge press.

Another project proposed to benefit the City of Denison is the installation of LED street lights that would use less energy and therefore save money.

Denison City Engineer Terry Crawford stated in an earlier story with the Denison Bulletin and Review that the city could receive a sizeable streetscape grant in fiscal year 2010 for a project on South Main Street from 1st Avenue South to Highway 30. That project was to be phased in over two years, beginning with storm sewer work in 2009. Crawford recommended the project be postponed a year because of the possibility of the grant.

Mark Rinehardt, CEO of Crawford County Memorial Hospital, reported that he received some indication that health systems technology funds addressed in the stimulus package may also trickle down to the local level, although at what level and in what time frame remains to be determined.



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